

Secretarial Standards Board solicits suggestions in respect of Board and General Meetings

As you are aware, of the 470 sections in the Companies Act, 2013, a substantial number of sections and rules thereunder have been notified and made effective. One such Section viz. Section 118(10) provides that every company shall observe Secretarial Standards with respect to General and Board Meetings specified by the Institute of Company Secretaries of India constituted under section 3 of the Company Secretaries Act, 1980 and approved, as such by the Central Government. In the light of this, existing Secretarial Standards with respect to General and Board Meetings issued by the Council of the Institute are being revised as per the applicable laws and sent to the Central Government for their consideration and subsequent notification u/s 118(10).

Accordingly, the Secretarial Standards Board (SSB) of the Institute of Company Secretaries of India had revised its Secretarial Standards on Meetings of the Board of Directors (SS-1), General Meetings (SS-2), Minutes (SS-5) and Passing of Resolutions by Circulation (SS-7) as per the new Act and Rules thereunder and sought public comments on the Exposure Drafts in the second week of April 2014.

Based on the public comments and other suggestions received from various quarters, it has been observed that the corporates follow divergent practices in respect of various aspects relating to the Board and General Meetings and also that they are facing several issues in the implementation of these new Rules which needs to be addressed.

The SSB of ICSI is now endeavouring to address these issues/grey areas while finalising Secretarial Standards with respect to General and Board Meetings and therefore soliciting your suggestions on the same.

You are requested to send us the practices followed by your company in respect of these Meetings and also any issues/grey areas identified by you in the Act, Rules and/or Forms w.r.t. these Meetings which, in your opinion, needs to be addressed in order to enable the SSB to finalise the Standards by incorporating the best practices and addressing the issues/grey areas.

In view of the urgency of the matter, please send in your suggestions in the format attached to ccgrt@icsi.edu or ccgrt.ssb@gmail.com so as to reach us on or before **Monday, 12th May 2014**.

The Drafts of the Standards are being finalised by the SSB and would be once again put up for public comments in the second week of May 2014 on the Home Page of the ICSI website.

CS M S Sahoo
Secretary, ICSI

On behalf of the Secretarial Standards Board of ICSI

BOARD MEETINGS

(Include suggestions for both Physical Meetings and Meetings through Videoconferencing)

Sl. No.	Particulars	Practices	Grey areas/issues, if any
1.	Convening a Meeting		
	<i>Authority for convening a Meeting</i>		
	<i>Time and Place of Meeting</i>		
	<i>Notice of Meeting</i>		
2.	Frequency of Meetings		
	<i>Meetings of the Board</i>		
	<i>Meetings of Committees</i>		
3.	Quorum		
	<i>Meetings of the Board</i>		
	<i>Meetings of Committees</i>		
4.	Attendance at Meetings		
5.	Chairperson		
	<i>Meetings of the Board</i>		
	<i>Meetings of Committees</i>		
6.	Disclosure		
7.	Illustrative list of items of business which should be placed before the Board/Committee at its Meeting or otherwise		

PASSING OF RESOLUTIONS BY CIRCULATION

Sl. No.	Particulars	Practices	Grey areas/issues, if any
1.	Authority for deciding passing of resolutions by circulation		
2.	Procedure		
3.	Approval including		
	<i>Disclosure of Interest by Interested Director and abstention from voting</i>		
	<i>Deemed date of passing of the Resolution</i>		
	<i>Effective date of the Resolution</i>		
4.	Recording (in Minutes)		
5.	Validity		
6.	Illustrative matters which should not be passed by circulation but should be passed only at a duly convened Meeting of the Board/Committee		

GENERAL MEETINGS

Sl. No.	Particulars	Practices	Grey areas/issues, if any
1.	Convening a Meeting		
	<i>Authority for convening a Meeting</i>		
	<i>Notice of Meeting</i>		
2.	Frequency of Meetings		
	<i>AGM</i>		
	<i>Extra-Ordinary General Meeting</i>		
3.	Quorum		
4.	Presence of Directors and Auditors including Secretarial Auditor		
5.	Chairperson		
	<i>Appointment</i>		
	<i>Duties of chairperson</i>		
	<i>Chairing, Participation and Voting Right of Chairperson in an item in which he is interested</i>		
6.	Voting		
	<i>Proposing a Resolution</i>		
	<i>On Show of Hands</i>		
	<i>By Poll</i>		
	<i>By Electronic Mode</i>		
	<i>Casting Vote</i>		
7.	Proxies		

	<i>Notice of Right to Appoint</i>		
	<i>Form of Proxy</i>		
	<i>Stamping of Proxies</i>		
	<i>Execution of Proxies</i>		
	<i>Proxies in Blank, Incomplete Proxies and Multiple Proxies</i>		
	<i>Deposit of Proxies</i>		
	<i>Revocation of Proxies</i>		
	<i>Inspection of Proxies</i>		
	<i>Record of Proxies</i>		
8.	Conduct of Voting by Electronic Mode		
	<i>Restriction on show of hands</i>		
	<i>Report by Scrutiniser – timelines</i>		
	<i>Declaration of Results</i>		
	<i>Announcement of results of e-voting and physical Meeting – manner and timelines</i>		
9.	Conduct of Poll		
10.	Withdrawal of Resolutions		
11.	Rescinding of Resolutions		
12.	Modifications to Resolutions		
13.	Reading of Report/Certificate		
14.	Distribution of Gifts		
15.	Adjournment of Meetings		

PASSING OF RESOLUTIONS BY POSTAL BALLOT

Sl. No.	Particulars	Practices	Grey areas/issues, if any
1.	Items of business to be transacted through postal ballot		
2.	Agenda of board meeting for conducting postal ballot		
3.	Notice of resolution		
	<i>To whom to be sent</i>		
	<i>Contents</i>		
	<i>Despatch</i>		
	<i>Advertisement</i>		
	<i>Issue of duplicate notice and postal ballot form</i>		
	<i>To whom to be sent</i>		
4.	Voting rights		
5.	Postal ballots		
	<i>Form of ballot</i>		
	<i>Executing the physical ballot</i>		
	<i>Deposit of ballots</i>		
	<i>Voting by electronic mode for postal ballot</i>		
6.	Scrutiny of postal ballots		
	<i>Tally of physical postal ballot forms received</i>		
	<i>Valid postal ballot forms</i>		

	<i>Invalid postal ballot forms</i>		
	<i>Scrutiny of voting by electronic mode</i>		
7.	Maintenance of record by scrutinizer		
8.	Scrutinizer's report		
9.	Declaration of result		
10.	Rescinding the resolution		
11.	Modification to the resolution		
12.	Preservation and custody of postal ballot forms		
13.	Filing with the registrar of companies		

MINUTES

(Include suggestions for Minutes of Board Meetings, Circular Resolution, General Meetings and Postal Ballot)

Sl. No.	Particulars	Practices	Grey areas/issues, if any
1.	Maintenance including		
	<i>Mode and manner of Maintenance</i>		
	<i>Numbering of Minutes Book</i>		
2.	Contents		
	<i>General Contents</i>		
	<i>Specific Contents</i>		
	<i>Manner of recording of decisions and mentioning of backgrounds and rationale of the decision</i>		
3.	Recording		
	<i>Proceedings of the Meeting</i>		
	<i>Speech and Tense</i>		
	<i>Numbering of items of business</i>		
	<i>Manner of Identification of and reference to any document, report or notes placed before the Board.</i>		
	<i>Reference to the earlier resolution or decision, if superseded or modified.</i>		
	<i>Noting</i>		
4.	Finalisation		
	<i>Meetings of the Board</i>		
	<i>(i) Persons to whom circulated and persons entitled to comment</i>		

	<p>(ii) <i>Mode and Time-limit of Circulation for Comments</i></p> <p>(iii) <i>Mode and Time-limit of Receipt of Comments</i></p> <p>(iv) <i>Recording or otherwise of the comments of the Directors – manner</i></p>		
	<i>Meetings of the Committee</i>		
5.	Entry in Minutes Book		
	<i>Time-limit</i>		
	<i>Recording of adjourned meetings</i>		
	<i>Recording of date of entry</i>		
	<i>Minutes should be entered in the Minutes Book within thirty days from the date of conclusion of the Meeting.</i>		
	<i>Alteration to Minutes after entry</i>		
6.	Signing and Dating		
	<i>Authority</i>		
	<i>Manner of signing</i>		
	<i>Time-limit</i>		
	<i>Blank space/page</i>		
7.	Inspection & Extracts		
	<i>Entitlement to inspect</i>		
	<i>Entitlement to Extracts of the Minutes and /or certified copies of any Resolution</i>		
8.	Preservation of Minutes and other Records		

<i>Duration of preservation of Minutes and procedure of destruction.</i>		
<i>Duration of preservation of Office copies of Notices, Agenda, Notes on Agenda and other related papers and procedure of destruction.</i>		
<i>Preservation of Minutes and Office copies of Notices, Agenda, Notes on Agenda and other related papers if, under a scheme of arrangement, a company has been merged or amalgamated with another company or demerged including Authority Duration and procedure of destruction.</i>		
<i>Custody of Minutes Books</i>		